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ABSTRACT

This study presents financial data on Catholic high schools in five enrollment ranges across the country. The two objectives of the study were to acquire general data for national purposes and to develop specific models for managing Catholic high schools. Nine tables of data are available for reference. The first part of this report deals with general and national statistics on operating expenses, enrollment levels, and pupil/staff ratio. The middle of the report analyzes 15 financially sound average schools, divided into five enrollment ranges, as models for management. The last part of the report consists of general comments on financial management, budgeting, and planning. Appendices list the 200 high schools reflected in the report, financial averages and models by school enrollment, and a copy of the questionnaire used to gather the statistics. (Author/LD)

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Catholic High Schools And Their Finances

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INTRODUCTION

Since the academic year 1969-70, the National Catholic Educational Association has annually published statistical reports on various aspects of Catholic elementary and secondary education in the United States. In view of the fact that financial data proved to be difficult to collect and interpret, the NCEA Data Bank cautiously arrived at some estimates and conclusions for that first attempt to assemble national financial figures.

The problem of separating school costs from parish costs was a difficult one for administrators, but when the 1970-71 Data Bank report was prepared, efforts to improve school accounting were evident. For the first time, it was possible to give per pupil figures based on 1970-71 school budgets and enrollment. The Data Bank continued to assemble and report financial information each year through 1973-74. By that time it was clear that tremendous improvement had taken place in financial reporting.

In 1974, NCEA, through a committee of the Department of Chief Administrators of Catholic Education (CACE), sponsored a National Conference on Catholic School Finance. This conference was repeated in 1975 and 1977, and a summation of the presentations was published for each conference. The 1975 edition included national financial data on Catholic school finances.

Interest in Catholic school finances continues. For that reason and because the NCES survey helped identify Catholic secondary schools which were able to report financial information, the decision was made to do a study of Catholic school finances at the secondary level. The NCEA Data Bank would like to express sincere appreciation to the secondary school administrators whose wonderful cooperation made this report possible.

Gratitude and admiration are extended to Father Frank H. Bredeweg, NCEA Data Bank Consultant, who designed the questionnaire, chased after the missing information and, after careful analysis, wrote the report you are about to read. A word of thanks is also due to Mrs. Phyllis Kokus for her efforts in preparing this report.

I hope each Catholic secondary school will have the opportunity to study and use this special report which was designed to supply general national data and specific information needed for sound management.

Rhoda Goldstein
Director of Data Bank, NCEA

Catholic High Schools
and their Finances
(An NCEA Special Report)

by Frank H. Bredeweg, C.S.B.

Aside from the question of whether or not parents want to send their children to Catholic schools, and enrollment trends indicate that they do, probably the most important question is whether or not there are sufficient financial resources available to make private schools a realistic option. In this regard, Catholic school finances have been much discussed in the past decade, with different aspects stressed. At one time or another, the focus has been upon the declining number of religious, the increasing lay staff at higher salaries, inflation, the need for better accounting systems and techniques, the roles of board members and administrators, inner city subsidies, rural problems, development and fund-raising, and other equally significant dimensions of a very complex question.

Sometimes there was sufficient information available to treat the issues properly, other times there was not. On the whole, Catholic schools and diocesan offices have traveled many country miles from the serious accounting deficiencies of the mid-1960's. However, since many schools still appear to need better financial information and management, continued study and effort are needed.

In this context, when the National Center for Education Statistics contracted with NCEA for the 1976-77 statistical survey of private schools, a few key financial items were included in the questionnaire. Last summer, all 1600 secondary school replies were reviewed, and 500 were found to have answered these financial questions completely. These 500 were the subject of a Secondary School Finance Study, and most cooperated patiently in completing a special financial questionnaire and clarifying items over the phone. This report owes whatever value it has to the cooperation of those school administrators.

During the past fall and winter, whenever time allowed, the quality of the information continued to be refined by written notes and phone calls. It was essential that reported operating revenues and expenses be realistic (which is not always true) and that they reflect a relatively stable school. Great care was taken with the sources of revenue and with the total expenses. Accounting for Contributed Services caused the most difficulty, but a reliable valuation was finally obtained. We believe that it is preferable accounting to reflect a value for religious community members and diocesan clergy who contribute part of their professional economic worth. Costs are better stated and a revenue factor which will change in the future is isolated. We realize, however, that many schools do not book this figure. Consequently, it was decided to favor computations which include Contributed Services in the main body of the report, but also to present models without Contributed Services in the Appendex.

Table No. 1
Secondary Schools - By Type
1967-68 thru 1976-77

	Total	Private	Diocesan	Parish
1967-68	2,277	870	527	880
1970-71	1,980	770	520	690
1973-74	1,719	685	515	519
1976-77	1,623	666	510	438
This Report	200	81	68	51
%	12.3	12.2	13.3	11.6

Table No. 2
Secondary Schools - By Enrollment Size
1976-77

Enrollment	Total	This Report	%
Over 1000	182	35	19.2
750-1000	199	35	17.6
501-749	324	55	17.0
300- 500	403	50	12.4
Under 300	515	25	4.9
	1,623	200	12.3

All schools did not respond to our questionnaire, and some that did reply were not used, e.g. boarding schools, special education, schools with unusually good or bad financial situations. Eventually, the replies were screened down to 200 schools (12.3%), reflecting reliable accounting, all types (private, diocesan, parish), various enrollment sizes (five enrollment ranges have been used), and different geographic areas of the country. Hopefully this (200) sample can now be used each year to provide a financial index for Catholic secondary education.

Two objectives were clear from the outset: general data is needed for national purposes, and specific "models" are needed to guide our schools managerially. Toward these objectives, the (200) schools listed in the Appendix have been used to reflect the most reliable national information yet available on Catholic secondary school finances while at the same time providing data for "average" school models by type, for five different enrollment levels. The first part of this report deals with national and general aspects; the second presents (15) financially sound "average schools"; and the last part consists of personal observations and comments related to secondary school finances.

National and General Estimates

Since 1974-75, Catholic secondary education has lost only 91 schools and 34,000 pupils, a modest decline in view of the shift to lay staff, financial tensions, and the birth-rate decline. In terms of faculty degrees and experience, pupil/teacher ratios, academic programs, scholastic achievement and parental support, Catholic high schools may be at their finest hour. All in all, it is a much brighter picture than many prophesied at the beginning of the decade. Catholic educators can take only a short breath of satisfaction, however, because the secondary scene remains charged with complexities and change, especially in the area of financial resources.

The first questions asked of NCEA by inquiring reporters, researchers, government offices, dioceses, etc. usually concern annual revenues and their sources. For example, who pays for Catholic high schools? What is the value of the services of religious personnel? How much nationally do Catholic schools contribute to secondary education? Extending our (200) sample, Catholic high schools required about $923 million in 1976-77 ($860 in 1975-76). Most of this (64.1%) came from tuition and fee charges. The value of the Contributed Services of religious community members and clergy is the second highest factor (15.8%), followed by parish and diocesan subsidies (9.8%). Fund Raising comprises about 5% of the national revenue.

Some definitions and descriptions may help here. Tuition and Fees need no explanation. Contributed Services is the difference between the actual wages paid to religious (including personal expenses paid on their behalf) and the salaries paid lay personnel in identical employment at your school. NCEA has defined Contributed Services in this manner since the Data Bank began in 1969, so that changes in this figure reflect income needed as lay staff replaces religious. Subsidies are funds from the diocese and the parish, although religious communities add cash in a few cases. Fund Raising examples are raffles, festivals, dances, bingos, donations, Mom or Dad's clubs, etc. The Auxiliary Services figure is the excess of cafeteria, bookstore, bussing, etc. income over expenses. Income and expenses were deliberately netted so that operating expenses were not distorted by auxiliary services. "Other Income" may tempt you to look for hidden resources, but don't. This is a catch-all category which includes income which should have been netted against expenses, interest on investments, athletic receipts, Federal lunch money, rentals, and other miscellaneous items which would tend more to distract than to help.

All in all, total national operating revenue increased 7.4%, a solid increase. Fund raising showed the greatest percentage gain (14.7%). Tuition and fee revenue increased 8.6%. Contributed Services and subsidies showed only slight gains. For the (200) schools in this report, which are presumably more advanced than the others regarding finances, operating revenue (7.4%) increased more than operating expenses (6.9%). Table 3 points out some important general trends. Table 4 gives national dollar estimates and the various sources of revenue. Table 5 looks at different types of Catholic high schools and illustrates where their revenue comes from on a percentage basis.

Table No. 3
Secondary Schools - General Data
1974-75 thru 1977-78

	Schools	Pupils	Average Size	Teachers Lay	Teachers Religious
1974-75	1,690	902,000	534	29,445	20,723
1975-76	1,653	890,000	538	20,273	19,684
1976-77	1,623	882,000	543	32,004	18,590
1977-78	1,599	868,000	543	33,080	17,856

Table No. 4
Secondary School Revenue - By Sources
1975-76 and 1976-77

	Millions of Dollars 1975-76	1976-77	Increase
Tuition and Fees	$545.0	$592.1	8.6%
Contributed Services	140.6	146.1	3.9%
Subsidies	88.3	90.9	2.9%
Fund Raising	42.8	49.1	14.7%
Auxiliary Services (Net)	8.5	8.9	4.7%
Other Income	34.6	36.6	5.8%
Operating Revenue	$859.8	$923.7	7.4%

Table No. 5
Percentage of Revenue Sources - By School Type
1976-77

	Private	Diocesan	Parochial	All Schools
Tuition and Fees	70.5	65.8	56.0	64.1
Contributed Services	16.5	12.4	14.6	15.8
Subsidies	1.4	12.8	20.3	9.8
Fund Raising	6.2	4.8	4.4	5.3
Auxiliary Services (Net)	1.2	0.6	1.1	1.0
Other Income	4.2	3.6	3.6	4.0
Operating Revenue	100.0	100.0	100.0	100.0

Private, diocesan, and parochial schools each have their own revenue patterns. For example, private schools receive 70.5% from tuition and fees, and are the most effective at fund-raising (6.2%). Parish high schools receive 20.3% of their funds via subsidies and 14.6% from the services of religious communities. Diocesan schools receive more than parish schools from tuition and fees (65.8%) and less from subsidies (12.8%). In general, parochial schools hold tuition down and rely heavily upon parish subsidies; diocesan schools charge more tuition and subsidize on a diocesan basis; and private schools operated by religious communities receive little or no parish or diocesan financial support.

Operating Expenses

Basically a school needs operating revenue sufficient to cover operating expenses, ordinary capital expenditures, and the principal and interest payments on any existing debt. If a major construction program is underway, a capital fund drive usually tries to pay for it. In terms of operating revenue and operating expenses, there should be an operating gain capable of maintaining a stable financial position. If not, a school soon spends reserves, if there are any, or annually looks to someone for subsidy. While it may sound like a platitude to say that the financial key today is to understand, analyze, and shape operating revenue and operating expenses to produce a solid operating gain, many schools still seem to miss the significance of this statement. If there is a major theme in this report however, that is it.

Approximately three-fourths (75%) of all operating expenses are salaries and fringe benefits. Since personnel assignments vary greatly from one school to another, comparative analysis by categories is very difficult. Consequently, no attempt was made to classify "instructional", "administrative", "maintenance", etc., at this time. Only a Total Operating Expense figure was sought which correctly included the value of Contributed Services and which reflected only "Net" auxiliary service expenses. This total figure is sufficient to evaluate the general financial situation.

As indicated in Table 6, operating expenses in 1976-77 increased about 7% over 1975-76. Excluding Contributed Services, costs increased 7.6%. A national overview such as the following is as realistic as any available:

	1975-76	1976-77
Operating Revenue	$860 million	$923 million
Operating Expenses	$801 million	$856 million
Available for Debt and Capital Exp.	$ 59 million	$ 67 million
Enrollment	890,000	882,000
Per Pupil Cost	$900	$963
Per Pupil Tuition and Fees	$612	$671

Both revenue and expenses include Contributed Services of $141 million in 1975-76 and $146 million in 1976-77. Excluding Contributed Services, a national per pupil cost would be $758 in 1975-76 and $816 in 1976-77.

National estimates are interesting and helpful, but more sophisticated analysis is needed. Several major factors affect "operating expenses," e.g. the professional salary scale, fringe benefits, academic programs, the pupil/staff ratio, and the enrollment level. Major savings can sometimes be achieved through "tightening up" policies regarding instructional, administrative, and maintenance purchases, but the focus must be upon people and programs when the financial situation is serious.

Table No. 6
Total Operating Expenses
1975-76 and 1976-77

Including Contributed Services	1975-76	1976-77	Increase
Total Operating Costs	$801 million	$856 million	7.0%
National PP Cost	$900	$963	7.0%
Without Contributed Services			
Total Operating Costs	$660 million	$710 million	7.6%
National PP Cost	$758	$816	7.6%

Table No. 7
Per Pupil Costs - By Type of School
1970-71 thru 1976-77

	Private		Diocesan		Parish	
Without Contr. Serv.	Reported	Projected	Reported	Projected	Reported	Projected
1970-71	$ 590	$ -	$490	$ -	$490	$ -
1971-72	-	-	-	-	-	-
1972-73	639	-	576	-	576	-
1973-74	693	-	616	-	616	-
1974-75	-	745	-	659	-	659
1975-76	808	805	733	705	709	705
1976-77	862	870	796	754	766	754
Including Contr. Serv.						
1975-76	986	-	845	-	839	-
1976-77	1,044	-	910	-	902	-

Prior to this report, the best Catholic school financial data was contained in three NCEA publications, U.S. Catholic Schools, 1970-71, U.S. Catholic Schools, 1973-74, and the National Conference on Catholic School Finance, 1975. Table 7 summarizes past and present efforts to understand secondary school per pupil costs. The $870 private school PP cost projected in 1973-74 for 1976-77 was very close. The $754 projected for diocesan and parish schools (separate costs were not available) was low. The major factor, of course, is the upgrading of salaries and fringe benefits, especially in the last few years.

When contributed services are included in diocesan and parish school costs, the proximity is striking, e.g. $845-839 (75-76) and $910-902 (76-77). In 1973-74, diocesan and parish school cost increases were estimated at 7%, and private schools at 8%, not reflecting Contributed Services. According to our sample, 1976-77 parish school costs increased the most (8.4%) over 1975-76, private school costs increased at the national average (7.6%), and diocesan school costs increased the least (7.0%).

Enrollment Levels

One of the objectives of this report was to identify relationships between enrollment and costs. Perhaps the most frequently asked question at many seminars of the past few years is: what size should a school be to be efficient? Along these lines, our (200) schools were divided into five enrollment categories and per pupil costs were computed for all types and sizes. The valuation for contributed services is included for both Tables 8 and 9. A national PP cost for all schools was previously estimated at $963, of which $671 (70%) came from tuition.

Table No. 8 clearly illustrates that 1976-77 per pupil costs are highest in the smaller schools and lowest in the larger schools. Private schools regress from $1,121-949; diocesan schools from $1,066-855; parish schools from $1,150-912. The percentage of costs covered by tuition and fees is also shown by enrollment size. It is equally clear that the percentage of expenses covered by tuition and fees increases as the school gets bigger. This probably reflects a kind of limit to the amount of revenue which can be raised from contributed services, fund raising, and even subsidies, leaving tuition to supply the needed difference.

Enrollment is both a revenue factor and expense factor. Once the professional staff is under contract and the school is ready, the number of pupils paying tuition is a revenue factor. In this regard, per pupil cost calculations affected by enrollment fluctuations can be misleading. On the other hand, enrollment is realistically an expense factor in that about 40% of a school's operating expenses are "fixed", e.g. salaries for administration and maintenance, most administrative and maintenance purchases, utilities, insurance, library, guidance expenses, etc. This expense base is necessary aside from the variation in the number of pupils sharing it, and larger schools are capable of distributing it over more students.

Pupil/Staff Ratio

Another of the objectives of this report was to identify relationships between pupil/staff ratios and costs. This is probably the most overlooked and underestimated aspect of financial analysis and management. Involved are the size of classes, the courses offered, the administrative structure, varying or lightened teaching loads, and many subjective dimensions. In short, it is your professional staff and how efficiently it is used.

For purposes of this report, all professional staff members are included, i.e. classroom teachers, principals, librarians, guidance counselors, business managers, disciplinarians, etc. It is not enough to consider only classroom teachers and a pupil/teacher ratio. The non-teaching professional staff is a significant sector, sometimes encompassing 5-10 staff members. Financially, these salaries are usually based upon the current teacher scale.

Table No. 8
Average Tuition & Costs - By Enrollment Level
1976-77

	Per Pupil Averages		
Private (81)	Tuition	Costs	%
Under 300	$693	$1,121	61.8
300-500	726	1,058	68.6
500-750	763	1,092	69.9
750-1000	838	1,088	77.0
Over 1000	767	949	80.8
Diocesan (68)			
Under 300	602	1,066	56.5
300-500	545	953	57.2
500-750	588	953	61.7
750-1000	621	928	66.9
Over 1000	633	855	74.0
Parochial (51)			
Under 300	491	1,150	42.7
300-500	460	919	50.1
500-750	516	856	60.3
750-1000	554	888	62.4
Over 1000	555	912	60.9

Table No. 9
Per Pupil Costs Related to Pupil/Staff Ratio
1975-76

	Average of Per Pupil Costs			
Ratio: Pupils/Staff	All (200)	Private	Diocesan	Parish
(28) less than 14:1	$1,115	$1,050	$976	$1,294
(49) 14-16	991	1,059	916	843
(52) 16-18	906	998	872	842
(39) 18-20	872	954	863	769
(23) 20-22	808	871	802	755
(9) More than 22:1	704	754	690	691
(200)				

As shown in Table 9, the pupil/staff ratio makes a significant difference in the per pupil cost at all school types. Indeed, the correlation was striking, i.e. the higher the ratio of pupils/staff, the lower the PP cost. The economic meaning would seem to be that a school's academic program and professional assignments must be carefully evaluated, at the risk of expending many thousands of dollars more than necessary. For example, a 500 pupil private school with a 15:1 pupil/staff ratio could conceivably save $52,500 of professional staff expenses by improving this ratio to 19:1. This is not easily done, to be sure, but the potential for adjusting courses and teachers should not be ignored.

Financial Averages and Models

Another frequent question is: aren't there some "model schools" we can identify and guide by? Yes, but probably more valuable than individual school presentations, which are subject to varying circumstances, would be a kind of cross-section view of similar schools. The schools selected appear basically sound, although they may well have problems. In the pages ahead, we have computed fifteen (15) financial operations (private, diocesan, and parish schools by five different enrollment levels), in the hope that your school will be able to identify with one of the "average" schools. Computations without contributed services are presented in the Appendix.

It should be kept in mind that these "average schools" should not be viewed in the abstract. On the contrary, the figures very realistically describe solid and dynamic institutions. Since the figures reflect a composite, the narrative refers to these models as if they were particular schools.

Under 300 Enrollment

As shown earlier, only 25 of the 515 schools of this size are useable. It is common that the administrative burdens of smaller schools prevent the development of accounting techniques and subsequent reports. This is insidious, because this deficiency can set the stage for tragic financial situations. Needless to say, we hope this doesn't happen, but historically it is often true. In any event, we can only use what we have. Our comments will try to accent some of the principles and factors already described.

Private School 201 (the enrollment) remained marginally in the black during 1976-77 (operating gain decreased $4,000). With roughly the same enrollment, operating expenses increased 8.1%, but income increased only 6.0%. The pupil/staff ratio slipped to 12.2, a very low ratio. Per pupil costs of $1,121 increased $73. The religious community subsidized the school with an additional $5,600 during 1976-77. In general, management efforts are present, but the pupil/staff ratio hurts financially.

Diocesan School 255 had a bad year in 1976-77. Even though tuition and fees increased 9.6%, diocesan subsidies fell off $7,400 and enrollment dropped slightly. Operating costs increased $17,000 (6.7%). The result was a $3,100 operating loss compared to a coincidental $3,100 gain during 1975-76. The pupil/staff ratio is also very low.

Parish School 218 had an even worse year. Tuition and fees were not increased enough (2.7%) to keep pace with much greater (14.2%) costs. The situation could have been disastrous, but for additional aid from the religious communities in the form of $16,000 additional contributed services. Per pupil costs increased $152, but per pupil tuition and fees increased only $17. The net result was a $10,000 swing into the red.

Financial Averages and Models
School Enrollment...under 300
Including Contributed Services

Private Schools

Private Schools (11)	1975-76	1976-77	Remarks
Tuition and Fees	$134,700	$139,400	Increased 3.5%
Contributed Services	54,100	55,100	-
Subsidies	4,700	10,300	Increased $5,600
Fund Raising	8,700	8,500	-
Auxiliary Services (Net)	1,900	2,900	-
Other Income	11,300	12,100	-
Operating Revenue	$215,400	$228,300	Increased 6.0%
Operating Expenses	$208,600	$225,500	Increased 8.1%
Operating Gain	$ 6,800	$ 2,800	Decreased $4,000
Enrollment	199	201	Same
Professional Staff	15.3	16.5	-
Ratio: Pupils/Staff	13.0/1	12.2/1	-
Per Pupil Operating Cost	$ 1,048	$ 1,121	Increased $73 (7.0%)
Per Pupil Tuition & Fees	$ 677	$ 693	Increased $16 (2.4%)

Diocesan Schools

Diocesan Schools (7)	1975-76	1976-77	Remarks
Tuition and Fees	$140,100	$153,600	Increased 9.6%
Contributed Services	40,900	41,700	-
Subsidies	54,900	47,500	Decreased $7,400
Fund Raising	14,600	18,500	Increased $3,900
Auxiliary Services (Net)	800	1,300	-
Other Income	6,700	6,200	-
Operating Revenue	$258,000	$268,800	Increased 4.2%
Operating Expenses	$254,900	$271,900	Increased 6.7%
Operating Gain (Loss)	$ 3,100	$ (3,100)	Decreased $6,200
Enrollment	259	255	Slight Decline
Professional Staff	19.1	18.3	-
Ratio: Pupils/Staff	13.6/1	13.9/1	-
Per Pupil Operating Cost	$ 984	$ 1,066	Increased $82 (8.3%)
Per Pupil Tuition & Fees	$ 541	$ 602	Increased $61 (11.3%)

Parish Schools

Parish Schools (7)	1975-76	1976-77	Remarks
Tuition and Fees	$104,300	$107,100	Increased 2.7%
Contributed Services	73,300	89,300	Increased $16,000
Subsidies	31,700	29,000	Decreased $ 2,700
Fund Raising	3,100	3,300	-
Auxiliary Services (Net)	1,700	1,400	-
Other Income	12,300	17,500	-
Operating Revenue	$226,400	$247,600	Increased 9.4%
Operating Expenses	$219,500	$250,700	Increased 14.2%
Operating Gain (Loss)	$ 6,900	$ (3,100)	Decreased $10,000
Enrollment	220	218	Same
Professional Staff	15.8	15.8	-
Ratio: Pupils/Staff	13.9/1	13.8/1	-
Per Pupil Operating Cost	$ 998	$ 1,150	Increased $152 (15.2%)
Per Pupil Tuition & Fees	$ 474	$ 491	Increased $ 17 (3.6%)

300-500 Enrollment

Fifty (50) schools of the study are in this enrollment range. There are solid segments of private, diocesan and parish schools, so the averages tend to provide the cross-section desired. Again, it may be helpful to keep in mind that the analyses are intended to point out financial realities and trends which even have a kind of unity. For purposes of analysis, we will continue to comment as if a particular school existed, which is not altogether untrue, considering that the figures reflect such a homogeneous group.

Private School 420 managed their finances well in 1976-77. Operating revenue increased 6.3% and costs 5.0%. The operating gain increased $5,700, to $11,500. This size of school needs at least this much of an operating gain to meet capital improvement demands currently or in the future. Enrollment increased slightly, improving the pupil/staff ratio. Per pupil operating costs increased $43 and per pupil tuition and fees increased $44. The amount of revenue from Contributed Services, subsidies (in this case, diocesan subsidies to private schools), and fund-raising efforts was about the same for both years.

Diocesan School 424 has financial problems. Even though tuition was increased 5.9% and fund-raising efforts produced $5,400 more in 1976-77, costs increased 7.5% and enrollment declined by 6 pupils. What was much too close an operation in 1975-76 (only an $1,800 gain) was a $3,700 operating loss in 1976-77. The pupil/staff ratio of 16.3/1 would rate an academic "C" grade, and may have to be improved greatly if the enrollment continues to decline. Per pupil costs increased (9.0%) because of higher costs and fewer pupils.

Parish School 423 is definitely taking financial matters into their managerial hands and improving the situation. The marginal ($5,400 gain) operation of 1975-76 is being strengthened in several ways. Tuition was too low and has been raised about $45 per pupil. Parish subsidies have been increased by $6,400, and fund-raising efforts have increased $3,100. Operating costs have been held to a reasonable (6.2%) increase. Enrollment has increased 9 pupils, and this enrollment increase may be related to the general improvement in financial management. Parents often are attracted to a well managed situation and repelled by one which is poorly managed.

At this enrollment level, private school tuition and fees cover 69% of the costs ($762/1058). Diocesan school tuition and fees cover 57% of their costs ($545/953), and parish schools 50% ($460/919). Contributed Services revenue increased slightly in all cases, probably indicating the same number of religious at slightly higher salary evaluations.

Financial Averages and Models
School Enrollment...300 - 500
Including Contributed Services

Private Schools (15)	Private Schools 1975-76	1976-77	Remarks
Tuition and Fees	$284,500	$305,100	Increased 7.2%
Contributed Services	71,000	75,200	-
Subsidies	25,100	25,900	-
Fund Raising	24,300	24,100	-
Auxiliary Services (Net)	5,300	6,000	-
Other Income	18,800	19,600	-
Operating Revenue	$429,000	$455,900	Increased 6.3%
Operating Expenses	$423,200	$444,400	Increased 5.0%
Operating Gain	$ 5,800	$ 11,500	Increased $5,700
Enrollment	417	420	Slight Increase
Professional Staff	28	28	-
Ratio: Pupils/Staff	14.9/1	15/1	-
Per Pupil Operating Cost	$ 1,015	$ 1,058	Increased $43 (4.2%)
Per Pupil Tuition & Fees	$ 682	$ 726	Increased $44 (6.5%)

Diocesan Schools (20)	Diocesan Schools 1975-76	1976-77	Remarks
Tuition and Fees	$218,000	$230,900	Increased 5.9%
Contributed Services	54,200	56,800	-
Subsidies	67,400	67,800	-
Fund Raising	21,300	26,700	Increased $5,400
Auxiliary Services (Net)	5,700	5,700	-
Other Income	11,100	12,600	-
Operating Revenue	$377,700	$400,500	Increased 6.0%
Operating Expenses	$375,900	$404,200	Increased 7.5%
Operating Gain (Loss)	$ 1,800	$ (3,700)	Decreased $5,500
Enrollment	430	424	Slight Decline
Professional Staff	26	26	-
Ratio: Pupils/Staff	16.5/1	16.3/1	-
Per Pupil Operating Cost	$ 874	$ 953	Increased $79 (9.0%)
Per Pupil Tuition & Fees	$ 507	$ 545	Increased $38 (7.5%)

Parish Schools (15)	Parish Schools 1975-76	1976-77	Remarks
Tuition and Fees	$171,900	$194,500	Increased 13.1%
Contributed Services	56,800	59,500	-
Subsidies	110,600	117,000	Increased $6,400
Fund Raising	19,000	22,100	Increased $3,100
Auxiliary Services (Net)	1,500	2,700	-
Other Income	11,700	8,400	-
Operating Revenue	$371,500	$404,200	Increased 8.8%
Operating Expenses	$366,100	$388,900	Increased 6.2%
Operating Gain	$ 5,400	$ 15,300	Increased $9,900
Enrollment	414	423	Increased 9 Pupils
Professional Staff	25	26	-
Ratio: Pupils/Staff	16.6/1	16.3/1	-
Per Pupil Operating Cost	$ 884	$ 919	Increased $35 (4.0%)
Per Pupil Tuition & Fees	$ 415	$ 460	Increased $45 (10.8%)

500-750 Enrollment

Fifty-five (55) of the schools are in this enrollment range, so the cross-section is again good. In terms of total funds handled, these schools are now over the half-million level and are "big business" monetarily. If there are any left-over financial attitudes which tolerate casual book-keeping, little information or analysis, and judgments by instinct, they must be quickly discarded by the time board members and administrators reach this level. Poor management here can be very costly.

Private School 650 managed their finances very well in 1976-77. Tuition was increased about $52 per pupil and fund-raising efforts produced $14,200 more than in 1975. Total operating revenue increased 9.9%, partly from the increased enrollment, and operating expenses increased only a reasonable amount (6.7%). The net result was an operating gain of $39,500, an increase of $23,100. The pupil/staff ratio of about 16:1 is satisfactory. Economically, it grades a "C". All in all, this is a well directed operation.

Diocesan School 636 is also sound, with its per pupil costs ($953) much lower than Private School 650 ($1,092). One of the reasons is its higher pupil/staff ratio (17.4/1). Another could be that salaries are lower. Over all, revenue increased only 5.4%, but costs increased even less (4.5%). The operating gain in diocesan schools is generally less indicative than in private schools, since the diocese may well regulate the amount subsidized as the year unfolds. In general, the financial situation is stable.

Parish School 632 is also well managed. Operating costs increased 6.8%, but tuition increased about 11.6% ($56 per pupil), and $10,200 more was produced through fund-raising activities. The operating gain of $23,900 is a solid figure for most contingencies, depending upon whether or not there is a debt service and upon capital improvement needs. Enrollment declined slightly. The pupil/staff ratio (17.7/1) is satisfactory. The use of "partial people", e.g. 35.6 professional staff, is justified by the fact that most schools define a full-time teaching load as five (5) periods and one (1) study, and frequently have part-time teachers.

Private school tuition and fees cover 70% of the costs ($763/1092), diocesan schools 62% ($588/953), and parish schools 60% ($516/856). Contributed Services revenue remained about the same for private and parish schools, but declined slightly for parish schools.

Financial Averages and Models
School Enrollment...500 - 750
Including Contributed Services

Private Schools

Private Schools (25)	1975-76	1976-77	Remarks
Tuition and Fees	$454,900	$496,000	Increased 9.0%
Contributed Services	126,500	131,400	-
Subsidies	10,100	10,700	-
Fund Raising	55,000	69,200	Increased $14,200
Auxiliary Services (Net)	7,100	7,900	-
Other Income	28,300	34,300	-
Operating Revenue	$681,900	$749,500	Increased 9.9%
Operating Expenses	$665,500	$710,000	Increased 6.7%
Operating Gain	$ 16,400	$ 39,500	Increased $23,100
Enrollment	640	650	Increased 10 Pupils
Professional Staff	40.2	41	-
Ratio: Pupils/Staff	15.9/1	15.9/1	-
Per Pupil Operating Cost	$ 1,040	$ 1,092	Increased $52 (5.0%)
Per Pupil Tuition & Fees	$ 711	$ 763	Increased $52 (7.3%)

Diocesan Schools

Diocesan Schools (13)	1975-76	1976-77	Remarks
Tuition and Fees	$352,900	$374,200	Increased 6.0%
Contributed Services	81,600	79,800	-
Subsidies	91,900	95,400	-
Fund Raising	33,000	32,000	-
Auxiliary Services (Net)	1,500	3,300	-
Other Income	23,600	31,300	-
Operating Revenue	$584,500	$616,000	Increased 5.4%
Operating Expenses	$580,000	$606,300	Increased 4.5%
Operating Gain	$ 4,500	$ 9,700	Increased $5,200
Enrollment	639	636	Slight Decline
Professional Staff	36.2	36.6	-
Ratio: Pupils/Staff	17.7/1	17.4/1	-
Per Pupil Operating Cost	$ 908	$ 953	Increased $45 (5.0%)
Per Pupil Tuition & Fees	$ 552	$ 588	Increased $36 (6.5%)

Parish Schools

Parish Schools (17)	1975-76	1976-77	Remarks
Tuition and Fees	$292,200	$326,200	Increased 11.6%
Contributed Services	74,700	75,400	-
Subsidies	101,100	99,500	-
Fund Raising	28,000	38,200	Increased $10,200
Auxiliary Services (Net)	8,600	8,700	-
Other Income	17,100	17,000	-
Operating Revenue	$521,700	$565,000	Increased 8.3%
Operating Expenses	$506,800	$541,100	Increased 6.8%
Operating Gain	$ 14,900	$ 23,900	Increased $ 9,000
Enrollment	635	632	Slight Decline
Professional Staff	35.8	35.6	-
Ratio: Pupils/Staff	17.7/1	17.7/1	-
Per Pupil Operating Cost	$ 798	$ 856	Increased $58 (7.3%)
Per Pupil Tuition & Fees	$ 460	$ 516	Increased $56 (12.2%)

750-1000 Enrollment

In this enrollment category, the pupil/staff ratios are generally higher than at the 500-750 enrollment level. Again, there are enough schools involved (35) to assure solid averages and to smooth out unusual variances of a particular school. As mentioned earlier, the schools selected for this report and these averages appear financially sound, i.e. they give indication that they will be operating for the foreseeable future. They may well have financial problems but these seem to be soluble. As a group, they usually net out to an operating gain, as the averages show.

Private School 880 is a financially solid institution. Operating revenue and operating expenses increased proportionately (5.4% and 5.2%). The operating gain is a sound $73,000, an amount capable of carrying a reasonable debt service and able to maintain the physical plant properly. Enrollment increased 11 pupils and the pupil/staff ratio is a satisfactory 16.9/1. Tuition and fees provide about 72% of the total revenue needed.

Diocesan School 860 lost 14 pupils and increased their professional staff by one (1) member, lowering their pupil/staff ratio to 17.9/1. Operating revenue and expenses were increased proportionately (7.2% and 7.4%). Subsidies ($5,600) and fund-raising ($5,200) both increased. The school is operating marginally now (operating gain of $1,200) and careful financial guidance is needed, especially if enrollment might continue to decline. The increase in PP cost is partly due to the enrollment loss.

The executives and policy makers of Parish School 866 also took financial matters into their managerial hands. In 1975-76, there was an operating loss of $13,400. Apparently embarking upon a good recruiting program, enrollment was increased to 866 pupils. Tuition revenue was increased 12.6%, and additional subsidies of $16,700 were raised. Serving 16 more pupils with one (1) less staff member, the pupil/staff ratio was improved to 18.4/1 (a grade of "B"). Operating revenue increased 9.7%, but operating expenses increased only 5.6%. The net result was a $28,500 saving which now produces a $15,100 operating gain. In the world of financial management, "This is what it's all about."

At this enrollment level, private school tuition and fees cover 77% ($838/1088) of the operating costs. Diocesan school tuition and fees revenue covers 67% ($621/928), and parish schools 62% ($554/888). Contributed Services revenue remained about the same at all schools.

Financial Averages and Models
School Enrollment...750-1,000
Including Contributed Services

Private Schools

Private Schools (17)	1975-76	1976-77	Remarks
Tuition and Fees	$683,700	$ 737,800	Increased 7.9%
Contributed Services	173,900	173,900	-
Subsidies	300	600	-
Fund Raising	64,400	64,000	-
Auxiliary Services (Net)	13,800	13,300	-
Other Income	41,800	41,200	-
Operating Revenue	$977,900	$1,030,800	Increased 5.4%
Operating Expenses	$910,800	$ 957,800	Increased 5.2%
Operating Gain	$ 67,100	$ 73,000	Increased $5,900
Enrollment	869	880	Increased 11 Pupils
Professional Staff	52	52	-
Ratio: Pupils/Staff	16.7/1	16.9/1	-
Per Pupil Operating Cost	$ 1,048	$ 1,088	Increased $40 (3.8%)
Per Pupil Tuition & Fees	$ 787	$ 838	Increased $51 (6.5%)

Diocesan Schools

Diocesan Schools (11)	1975-76	1976-77	Remarks
Tuition and Fees	$496,000	$ 534,000	Increased 7.7%
Contributed Services	94,000	96,000	-
Subsidies	91,400	97,000	Increased $5,600
Fund Raising	33,800	39,000	Increased $5,200
Auxiliary Services (Net)	5,400	1,900	-
Other Income	24,500	31,100	-
Operating Revenue	$745,100	$ 799,000	Increased 7.2%
Operating Expenses	$742,800	$ 797,800	Increased 7.4%
Operating Gain	$ 2,300	$ 1,200	Decreased $1,100
Enrollment	874	860	Declined 14 Pupils
Professional Staff	47	48	-
Ratio: Pupils/Staff	18.6/1	17.9/1	-
Per Pupil Operating Cost	$ 850	$ 928	Increased $78 (9.2%)
Per Pupil Tuition & Fees	$ 568	$ 621	Increased $53 (9.3%)

Parish Schools

Parish Schools (7)	1975-76	1976-77	Remarks
Tuition and Fees	$426,400	$ 480,000	Increased 12.6%
Contributed Services	92,900	93,700	-
Subsidies	120,400	137,100	Increased $16,700
Fund Raising	20,000	24,600	-
Auxiliary Services (Net)	9,000	7,300	-
Other Income	46,300	41,700	-
Operating Revenue	$715,000	$ 784,400	Increased 9.7%
Operating Expenses	$728,400	$ 769,300	Increased 5.6%
Operating Gain (Loss)	$(13,400)	$ 15,100	Increased $28,500
Enrollment	850	866	Increased 16 Pupils
Professional Staff	48	47	-
Ratio: Pupils/Staff	17.7/1	18.4/1	-
Per Pupil Operating Cost	$ 857	$ 888	Increased $31 (3.6%)
Per Pupil Tuition & Fees	$ 502	$ 554	Increased $52 (10.4%)

Over 1000 Enrollment

This final category of (35) large schools has, as you would expect, the lowest per pupil costs and the highest pupil/staff ratios. Large schools are able to absorb more of the "fixed" nature expenses described earlier. In general, these schools seem to understand their financial condition and control it. In many instances, an apparently full-time Business Manager reported, and often professional accountants appeared to be on hand. As the totals indicate, these schools now deal with more than a million dollars annually.

Private School 1367 apparently raised salaries significantly, since costs for the same 71 professional staff members increased 9.3%. Since total revenue increased only 7.1%, the operating gain was allowed to decline to $67,600. It is noteworthy that fund-raising activities raised $9,100 more than in 1975-76. The pupil/staff ratio of 19.3/1 is economically good and grades a "B+" (20:1 is "A"). The per pupil cost rose to $949.

Diocesan School 1273 increased their operating gain by $17,700, to $34,600, despite a loss of 21 pupils. Since subsidies declined $7,700, tuition was raised substantially, about $74 per pupil. Total revenue from tuition and fees increased 11.4%. Since the professional staff remained at 66, the pupil/staff ratio declined to a still very good 19.3/1. Not all problems should be solved by tuition increases, but sometimes this is the only place to turn.

Parish School 1741 also declined in enrollment, by 19 pupils. Since a staff member was added, the pupil/staff ratio declined to 18.9/1. Coupled with a solid 11% increase in operating costs, these factors produced a $97 increase in the per pupil cost, to $912. On the revenue side, tuition and fee income was increased by a whopping 15.1%, subsidies were increased $47,600 and fund-raising activities produced $12,400 more income. In the net result, the operating gain increased $21,200, to $49,300. Parish School 1741 apparently underwent a major reevaluation of its salary and tuition structure, in face of a declining enrollment. This is a very complex and difficult adjustment, but they did it well. Such financial management demands current information, an understanding of past trends, perfect coordination of teacher and parental attitudes, and very accurate budgeting.

Private school tuition and fees revenue covers 81% ($767/949) of the operating costs. Diocesan school tuition and fees cover 74% ($633/855), and parish schools 61% ($555/912). Contributed Services revenue increased for private schools (7%) and for parish schools (5%), probably indicating the same total personnel at higher salaries, but declined at diocesan schools.

Financial Averages and Models
School Enrollment..over 1,000
Including Contributed Services

Private Schools

Private Schools (13)	1975-76	1976-77	Remarks
Tuition and Fees	$ 973,800	$1,048,900	Increased 7.7%
Contributed Services	180,600	193,500	-
Subsidies	6,500	5,800	-
Fund Raising	40,100	49,200	Increased $ 9,100
Auxiliary Services (Net)	15,100	15,600	-
Other Income	58,500	51,700	-
Operating Revenue	$1,274,600	$1,364,700	Increased 7.1%
Operating Expenses	$1,186,700	$1,297,100	Increased 9.3%
Operating Gain	$ 87,900	$ 67,600	Decreased $20,000
Enrollment	1,369	1,367	Same
Professional Staff	71	71	-
Ratio: Pupils/Staff	19.3/1	19.3/1	-
Per Pupil Operating Cost	$ 867	$ 949	Increased $82 (9.5%)
Per Pupil Tuition & Fees	$ 711	$ 767	Increased $56 (7.9%)

Diocesan Schools

Diocesan Schools (17)	1975-76	1976-77	Remarks
Tuition and Fees	$ 723,500	$ 806,100	Increased 11.4%
Contributed Services	126,000	125,300	-
Subsidies	117,900	110,200	Decreased $7,700
Fund Raising	41,200	40,300	-
Auxiliary Services (Net)	6,800	6,300	-
Other Income	29,700	34,200	-
Operating Revenue	$1,045,100	$1,122,400	Increased 7.4%
Operating Expenses	$1,028,200	$1,087,800	Increased 5.8%
Operating Gain	$ 16,900	$ 34,600	Increased $17,700
Enrollment	1,294	1,273	Declined 21 Pupils
Professional Staff	66	66	-
Ratio: Pupils/Staff	19.6/1	19.3/1	-
Per Pupil Operating Cost	$ 795	$ 855	Increased $60 (7.6%)
Per Pupil Tuition & Fees	$ 559	$ 633	Increased $74 (13.2%)

Parish Schools

Parish Schools (5)	1975-76	1976-77	Remarks
Tuition and Fees	$ 839,000	$ 965,600	Increased 15.1%
Contributed Services	207,400	217,600	-
Subsidies	291,000	338,600	Increased $47,600
Fund Raising	27,200	39,600	Increased $12,400
Auxiliary Services (Net)	17,200	15,400	-
Other Income	79,800	60,000	-
Operating Revenue	$1,461,600	$1,636,800	Increased 12%
Operating Expenses	$1,433,500	$1,587,500	Increased 11%
Operating Gain	$ 28,100	$ 49,300	Increased $21,200
Enrollment	1,760	1,741	Declined 19 Pupils
Professional Staff	91	92	-
Ratio: Pupils/Staff	19.3/1	18.9/1	Lower Ratio
Per Pupil Operating Cost	$ 815	$ 912	Increased $97 (11.9%)
Per Pupil Tuition & Fees	$ 477	$ 555	Increased $78 (16.4%)

General Comments

Throughout this project, a few predominant themes kept recurring in discussions, in the calculations, in related writings. It is worthwhile to take a few pages to emphasize them. At the same time, I find myself unable to resist sharing opinions and conclusions reached while working with many high schools during the past two years.

Financial Management

First of all, although it was inspiring to work with 500 schools who were financially sensitive, it was also apparent that 1100 schools could not completely and accurately answer fundamental financial questions in the 1976-77 NCEA government survey. Some chose not to anwer, of course, but past data gathering efforts indicate that most probably could not answer. This means that many high schools need better accounting and better financial management.

There are two basic aspects to sound financial management, the technical accounting "system" and the "management" dimension that interprets, judges, and relates this information to policies. The "system" may or may not be elaborate. Computers, accounting machines, manual systems are merely techniques used to perform necessary functions and to capture information. I have installed totally manual systems which I defy machines or computers to out-perform. At the same time, depending upon volume, objectives and personnel, machine and computer systems can facilitate remarkable analysis and planning. The point here is two-fold: (1) any technique which is efficient and up-to-date is satisfactory, (2) this system must be oriented towards analysis of your particular operation.

This orientation towards analysis is what enables financial management to play its critical role. Without such a system, analysis is usually too hard, too time-consuming, too imprecise, too disruptive to the regular routine. Information, judgments, planning, policy changes, intelligible financial statements, revenue objectives, expense priorities, these are all elements essential to financial management today. Much, much more could be said about fiscal management, but it is enough for now to understand what is meant by it, and that it is often missing in Catholic education.

Perhaps financial systems and management are missing from many Catholic schools because to concentrate upon monetary matters was in the past considered to be contrary to religious vows or Catholic theology. If so, it should be clear today that only an excessive and exclusive concentration was referred to and that finances are a human resource, neither good nor bad in themselves, to be used in good stewardship just as health, time, intelligence, or any other resource available to us. To those who fear that financial matters will become the all-powerful factor in all decisions, it must be remembered that finances are neutral and that the value-judgments always remain with the person or group empowered. It is essential today, however, to recognize how many dollars you are exchanging for a particular result. Sometimes, of course, finances do dictate the decision since, even though profits are not the school's objective, school closes when losses are too frequent or too heavy.

SOUND FINANCIAL MANAGEMENT
("TEN COMMANDMENTS")

THE ACCOUNTING SYSTEM (PERFORMING THE NECESSARY FUNCTIONS)

I. Receive and disburse CASH accurately, quickly and in a manner whereby you can trace and analyze transactions.

II. Adopt PAYROLL accounts and procedures which not only meet government reporting requirements but also facilitate a clear understanding of payroll related expenditures and policies.

III. All aspects of STUDENTS ACCOUNTS RECEIVABLE (e.g. payment policies, recording, billing, collection) should be designed both to protect the school and to suit your constituents, and then enforced promptly and firmly.

IV. AUXILLIARY SERVICE & ACTIVITIES (e.g. bookstore, cafeteria, athletics, mothers' club, yearbook, science club, etc.) should be accounted so as to match related income and expense items, and to enable quick analysis.

V. GENERAL LEDGERS AND JOURNALS should be structured toward few accounts, a minimum of re-writing, quick balance and bank reconciliation, and easy analysis.

FINANCIAL MANAGEMENT (MANAGING...CONTROL ANALYSIS, POLICIES, PLANS)

VI. Financial information must be UNDERSTOOD by administrators and by decision-making groups. Reports and statements must be intelligible.

VII. Management must annually construct a REVENUE BUDGET, which realistically reflects your objectives and sources.

VIII. Management must annually construct an EXPENSE BUDGET, which has realistically evaluated needs and priorities.

XI. Management is responsible for effective SHORT-TERM PLANNING (i.e., 2 years). Events of the near future often affect today's decisions.

X. Management is responsible for constructive LONG RANGE PLANNING (i.e., 3-5 years). You should at least have a tentative look at how the incoming freshman class will be affected financially.

A comment is in order about professional advice and financial statements. Financial reports cannot be intelligible only to the elite. Statements must be understood or they are a waste of time and money. Unfortunately, I am aware of school administrators who have turned to professional advice and come away with information they can't read. This is the exception, of course, and professional advice is generally needed very badly, but there is a bridge to be crossed in order to integrate professional accounting and the education industry.

We must also realize that most religious have had very little exposure to financial statements, and yet are often expected to make significant monetary decisions as principals, religious superiors, and board members. Many religious today face financial decisions which terrify them. They realize that the consequences affect many people and they feel unqualified. This attitude will usually seek the best available advice and sort it out. The ones to be feared are those who, with little training or talent, charge ahead into the unknown. In the world of things to be done, a strong and good leader who can prudently integrate the financial dimension into the many decisions of each day is a very precious commodity in Catholic education today.

Concentrating Upon the "Operating Picture"

Earlier it was said that the financial key today is to understand, analyze and shape operating revenues and expenses to produce an operating gain sufficient to cover debt service, capital expenditures and the unexpected. The stress is upon "operating." While there is nothing new in saying that if you are in business you aim at making a profit, some Catholic educators still retain notions that everything will eventually work out, that if a real showdown came the school would eventually be bailed out by the religious community, diocese or parish, that a large scale fund drive is always a last resort, that the accumulated reserves can cover any current problems, and other ways of trying to say that you can avoid the arduous task of financial management.

Stressing operating revenues and expenses means that management looks only to its present operating gain for long-range survival. Once your financial operation is recorded in such a way as to be understood, every item of revenue and expense can be evaluated with the realistic potential of being changed. Every dollar figure in a financial statement is a reflection of a human activity going on at your school. Most of the time, another policy or approach is possible. Administrators and board members must be open to evaluating and justifying what has always been done. Perhaps past wisdoms have been the best, in which case they will stand the test. However, if something of the past cannot withstand evaluation, it is time for change.

A few years ago, and it continues today, there was an upsurge of interest in development and fund-raising programs. Taken in the proper perspective, development programs are integral partners in a healthy revenue picture. At that time, however, it seemed that many institutions were seeking a quick and easy solution, a new "pot of gold" to substitute for the just defeated tax credit bill of 1973. Personally, I believe that a desirable development program should promote an acceptance of the revenue items which are currently raising funds for your school (tuition, raffles, Moms' Clubs, Dads' Clubs, donations, scholarships, athletics, band, etc.) as its on-going objective, and then handle the "big drive" for one large amount (classrooms, gym, debt retirement) only when occasion arrives. The point here is not to play down a development program, but to keep such a program from interfering with a strong "operating picture" approach. I believe that most professionals in the development field would agree with this.

Perhaps the most powerful stimulus to keep in mind when trying to improve the annual "operating picture" is that these changes have an annuity effect. For example, if you can identify and change something worth $1,000 this year, then you have truly accummulated $5,000 over the next five years. This is not just pleasing mathematics, it would happen. Looking back also illustrates the point. Almost without exception in the course of evaluating schools in financial trouble, several items or areas can be changed so as to produce a financial advantage. Yet the less advantageous approach or habit had been operative for as long as memory served. Improving the operating picture is both an art and a science, and it's rewards are long-lasting.

Budgeting and Planning

The word "budget" is used in various ways. It could mean the absolute limit of a department's expenses this year. For this, expenses must be recorded no less than monthly and the limit must be enforceable. If limits can not or should not be enforced, then "budget" means a guide-line, a limit unless there is reason to adjust it. If "budget" is this year's estimate of next year's financial operation, then it is subject to refinement and precisions until shortly after school is opened (e.g. final enrollment, last minute staff changes, etc.). If "budget" is a long-range estimate, it is a kind of plan. All of these meanings reflect necessary and intelligent administrative functions. There is no point in trying to argue for a particular definition.

What is important, however, is that these budgeting and planning functions are present, and that they are tuned in to your school's time-table. For example, tuition charges are the most significant financial consideration in the mind of the parent, and salaries are far and away the major share of the school's expenses. If contributed services are included, about 75% of a school's expenses are paid for salaries and fringe benefits (both professional and supporting staff). Since tuition for the following year must usually be set in the Fall, it is pivotal that salary scales be set at the same time. To think that you can raise salaries to a particular level without positing where the needed revenue will come from next year is to court the possibility of a major loss. Unfortunately, I have worked with several schools who have done just that. The point here is that budgeting and planning do not happen in the abstract. Policies must be carefully matched with a time-table.

Long-range and short-range planning are popular terms today. The question is how many years are short and long. There is no one answer, of course, but some have used 1-5 years as short, and beyond 5 years as long-range planning. If this definition is used, then I would suggest that there has been too much stress upon "long-range" and not enough on "short-range". In other words, you should concentrate on the next few years, five at the most. Personally, I define "short" as viewing quarterly figures for the current year and extending them almost simultaneously into next year's budget. As the current year progresses, you must make decisions affecting next year. In this context, "short" is this year and next year, and "long" is the following three years. Considering the variables of the future, especially religious staff members, planning beyond this period borders upon speculation.

Budgeting and planning are critical to the life of a school. They guard against short-sighted decisions and remind you that matters at hand are up to you and your constituents. Good planning soon gets you behind the figures, to the people and the decisions which would determine these figures. This a financial age which must return to fundamentals, e.g. hard work, analysis, and objective judgments. Private education is certainly not the only industry in a financial squeeze. Public school problems fill the media. It is possible, however, that private schools have a management advantage, in that they are freer to implement needed changes.

Conclusion

Despite the re-thinking of most aspects of Catholic theology during the past decade, which has disturbed many people, despite the fact that only one-third of the professional staff are religious personnel, and that costs have soared, and despite the rapid decline of public school students due to fewer school-age children, Catholic high schools are still very much in demand. Since the first question must be are Catholic high schools wanted, today's clear-cut "yes" answer is a tribute to the objectives and performance of these schools.

Whether or not sufficient financial resources can be assembled is not yet known. There is no reason to assume that Catholic schools cannot handle these problems, but it is a new kind of challenge. In the past, Catholic schools were supplied with people and funds when they needed them. Now the schools themselves must evaluate their market, adopt their course, and manage the resources at their disposal. In an age when commercial and governmental management at all levels is directed to "get back to the basics'" many Catholic educators are being called upon to develop a financial expertise which is new to them. Unfortunately, many schools do not even realize that they need help. The situation is indeed a challenge.

Whatever the outcome, the effort is just as important and noble as others put forth over the centuries. Funds and finances are a neutral resource, such as natural resources or a person's time, talent and health. Stewardship and responsible behavior in this regard are just as moral as any other human action. Indeed, money has a kind of unfoolable honesty. Dollars and funds do exactly what they are told and introduce only those subjective aspects which owners give them. The person affecting financial matters can avoid neither the credit nor the blame, and the results are measurable.

We hope that the information provided in this report is of assistance to those facing the demands of financial management. If you need to become more aware, we hope this stimulates you. If you have begun, but need guidelines, we hope this supplies some of them. If you are already financially proficient, we hope you share your hard-earned lessons.

I would like to close on a positive note. One of the lightest moments in the production of this report was the discovery one day that Brother Donald Connolly, C.S.C., Financial Manager at Moreau High School in Hayward, California, for many years, had not only understood but also implemented my best recommendations long ago. While verifying this on the phone, we shared the hope that Catholic school leaders would eventually resolve the problems of financial resources and management, as they have resolved other major problems of the past decade. We both agreed, however, that much work must be done in the meantime.

Frank H. Bredeweg, C.S.B.
NCEA Consultant on School Finances

APPENDIX A

(200) Catholic High Schools
Reflected in this Report

New England Region:	Diocese, State
St. Paul Cath HS	Hartford, CT
Holy Cross HS	Hartford, CT
Notre Dame/W Haven	Hartford, Ct
Xavier HS	Norwich, CT
John Baptist HS	Portland, ME
St. John's Prep	Boston, MA
Marian HS	Boston, MA
Presentation of Mary	Boston, MA
St. Rose HS	Boston, MA
Bishop Connolly HS	Fall River, MA
Cathedral HS	Springfield, MA
St. John's HS	Worcester, MA
St. Raphael Acad	Providence, RI
St. Patrick HS	Providence, RI

Mideast Region:	Diocese, State
St. John's College	Washington, D.C.
Immaculata Prep	Washington, D.C.
Archbshp Carroll HS	Washington, D.C.
Mt. St. Joseph HS	Baltimore, MD
Mercy HS	Baltimore, MD
The Cath HS of Balt	Baltimore, MD
Archbishop Curley HS	Baltimore, MD
Our Lady of Mercy	Camden, NJ
Sacred Heart HS	Camden, NJ
Seton Hall Prep	Newark, NJ
Marist HS	Newark, NJ
Paramus Cath HS	Newark, NJ
St. Dominic Acad	Newark, NJ
Acad O/T Sacred Hrt	Newark, NJ
Bayley-Ellard HS	Paterson, NJ
Notre Dame HS	Trenton, NJ
Xaverian HS	Brooklyn, NY
St Josephs Coll Inst	Buffalo, NY
Villa Maria Academy	Buffalo, NY
Immaculata Academy	Buffalo, NY
Mt St Michael Acad	New York, NY
O/L of Lourdes HS	New York, NY
John S Burke Cath HS	New York, NY
Mother Cabrini HS	New York, NY
St. Catherine Acad	New York, NY
Blessed Sacrament HS	New York, NY
St. Vincent Ferrer HS	New York, NY
Rosary Academy	New York, NY
Mt. St. Mary HS	New York, NY
Immaculate Heart Cntrl	Ogdensburg, NY
Cardinal Mooney HS	Rochester, NY
O/L of Mercy HS	Rochester, NY
McQuaid Jesuit HS	Rochester, NY
St Agnes Cathdrl HS	Rckvl Ctr, NY
Central Cath HS	Allentown, PA
St. Francis Acad	Allentown, PA

Mideast (continued):	Diocese, State
Bishop Carroll HS	Altoona, PA
Elk Cty Christian HS	Erie, PA
St. Benedict Academy	Erie, PA
W Phila Cath Boys HS	Philadelphia, PA
Mt. St. Joseph Acad	Philadelphia, PA
Pittsburgh Cntrl Cath	Pittsburgh, PA
North Catholic HS	Pittsburgh, PA
Canevin HS	Pittsburgh, PA
Lawrenceville Cath	Pittsburgh, PA
Sacred Heart HS	Pittsburgh, PA
St Thomas Dstrt HS	PIttsburgh, PA
Boyle HS	Pittsburgh, PA
Monongahela Valley HS	Pittsburgh, PA
Vincentian HS	Pittsburgh, PA
Ursuline Academy	Pittsburgh, PA
Scranton Prep	Scranton, PA
Bishop Klonowski HS	Scranton, PA

Great Lakes Region:	Diocese, State
Mater Dei HS	Belleville, IL
Gibault HS	Belleville, IL
Holy Cross HS	Chicago, IL
St. Viator HS	Chicago, IL
Marian Catholic	Chicago, IL
St. Lawrence HS	Chicago, IL
Immaculate Heart HS	Chicago, IL
Josephinum HS	Chicago, IL
St. Gregory HS	Chicago, IL
Hales Franciscan HS	Chicago, IL
Visitation HS	Chicago, IL
Montini HS	Joliet, IL
St. Francis Acad	Joliet, IL
St. Bede Acad	Peoria, IL
Marian Cntrl Cath HS	Rockford, IL
Aurora Cntrl Cath HS	Rockford, IL
Quincy Notre Dame HS	Springfield, IL
St. Theresa HS	Springfield, IL
Marquette HS	Springfield, IL
Bishop Luers HS	Ft W/S Bend, IN
Andrean HS	Gary, IN
Bishop Chatard HS	Indianapolis, IN
Cardinal Ritter HS	Indianapolis, IN
Catholic Central HS	Detroit, MI
Brother Rice HS	Detroit, MI
Shrine HS	Detroit, MI
Monroe Catholic HS	Detroit, MI
Immaculata HS	Detroit, MI
Catholic Central HS	Grand Rapids, MI
Lumen Christi HS	Lansing, MI
Lake Catholic HS	Cleveland, OH
St. Joseph HS	Cleveland, OH
Regina HS	Cleveland, OH

(200) Catholic High Schools Reflected in this Report

Great Lakes (cont'd):	Diocese, State
Trinity HS	Cleveland, OH
St. Augustine Academy	Cleveland, OH
Archbishop Hoban HS	Cleveland, OH
Walsh Jesuit HS	Cleveland, OH
Chanel HS	Cleveland, OH
Erieview Catholic HS	Cleveland, OH
Cathedral Latin Sch	Cleveland, OH
Marion Catholic HS	Columbus, OH
Central Catholic HS	Toledo, OH
Lima Central Cath HS	Toledo, OH
McAuley HS	Toledo,,OH
St Mary's Centrl Cath	Toledo, OH
Ursuline HS	Youngstown, OH
Cardinal Mooney HS	Youngstown, OH
St. Joseph Academy	Green Bay, WI
Premontre HS	Green Bay, WI
Assumption HS	La Crosse, WI
Newman HS	La Crosse, WI
Regis HS	La Crosse, WI
Edgewood HS	Madison, WI
Pius XI HS	Milwaukee, WI
Dominican HS	Milwaukee, WI
Messmer HS	Milwaukee, WI
St. Mary's Springs HS	Milwaukee, WI
St. Mary's Academy	Milwaukee, WI

Plains Region:	Diocese, State
Keokus Cath Schools	Davenport, IA
Marquette Sch Inc.	Davenport, IA
Assumption HS	Davenport, IA
Dowling HS	Des Moines, IA
Wahlert HS	Dubuque, IA
Hayden HS	Kansas City, KS
Msgr. Luckey HS	Salina, KS
Bshp Carroll/Mt Carmel	Wichita, KS
Sacred Heart HS	Crookston, MN
Loyola/Fitzgerald	Winona, MN
Good Counsel Academy	Winona, MN
Gelias HS	Jefferson Cty, MO
Rockhurst HS	KC-St Joseph, MO
Notre Dame de Sion	KC-St Joseph, MO
Incarnate Word Acad	St. Louis, MO
St. Pius X HS	St. Louis, MO
Notre Dame HS	St. Louis, MO
Christian Bros Coll	St. Louis, MO
St. Louis Univ. HS	St. Louis, MO
De Smet HS	St. Louis, MO
Central Cath HS	Grand Island, NE
Aquinas HS	Lincoln, NE
Creighton Prepar.	Omaha, NE
Scotus Cntrl Cath	Omaha, NE
Cedar Cath HS	Omaha, NE
Archbshp Bergan	Omaha, NE
St. Martin's Acad emy	Rapid City, SD

Southeast Region:	Diocese, State
John Carroll HS	Birmingham, AL
Montgomery Cath HS	Mobile, AL
Madonna Academy	Miami, FL
Bishop Moore HS	Orlando, FL
St. Joseph Academy	St Augustine, FL
St. Petersburg HS	St Petersburg, FL
Tampa Catholic HS	St Petersburg, FL
Marist School	Atlanta, GA
St. Pius X HS	Atlanta, GA
Newport Cath HS	Covington, KY
Lexington Cath HS	Covington, KY
Assumption HS	Louisville, KY
Angela Merici HS	Louisville, KY
St. Xavier HS	Louisville, KY
Trinity HS	Louisville, KY
St. Vincent's Acad	Alexandria, LA
Catholic HS	Baton Rouge, LA
Edw Douglas White	Houma-Thib., LA
Brother Martin HS	New Orleans, LA
Archbshp Chapelle HS	New Orleans, LA
At. Aloysius HS	Jackson, MS
Charlotte Cath HS	Charlotte, NC
Bishop Byren HS	Memphis, TN

West/Far West Region:	Diocese, State
Brophy Coll Prepar.	Phoenix, AZ
St. John Bosco HS	Los Angeles, CA
St. Francis HS	Los Angeles, CA
Bshp Mora Salesian HS	Los Angeles, CA
Notre Dame HS	Los Angeles, CA
La Salle HS	Los Angeles, CA
St. Bonaventure HS	Los Angeles, CA
Sacred Heart of Mary	Los Angeles, CA
Moreau HS	Oakland, CA
St. Joseph HS	Oakland, CA
St. Patrick HS	Sacramento, CA
St. Francis HS	Sacramento, CA
St Vincent Ferrer HS	Sacramento, CA
St Ignatius Col Prep	San Francisco, CA
Cathedral HS	San Francisco, CA
Cardinal Newman HS	Santa Rosa, CA
St. Mary's HS	Stockton, CA
Central Cath HS	Stockton, CA
Marycrest HS	Denver, CO
Sacred Heart Acad HS	Honolulu, HI
Cathedral HS	El Paso, TX
Mount Carmel HS	Gal-Houston, TX
Providence HS	San Antonio, TX
St. Joseph HS	Salt Lake, UT
O'Dea HS	Seattle, WA

Financial Averages and Models
School Enrollment...under 300
Without Contributed Services

Private Schools

Private Schools (11)	1975-76	1976-77	Remarks
Tuition and Fees	$134,700	$139,400	Increased 3.5%
Subsidies	4,700	10,300	Increased $ 5,600
Fund Raising	8,700	8,500	-
Auxiliary Services (Net)	1,900	2,900	-
Other Income	11,300	12,100	-
Operating Revenue	$161,300	$173,200	Increased 7.4%
Operating Expenses	$154,500	$170,400	Increased 10.3%
Operating Gain	$ 6,800	$ 2,800	Decreased $ 4,000
Enrollment	199	201	Same
Professional Staff	15.3	16.5	-
Ratio: Pupils/Staff	13.0/1	12.2/1	-
Per Pupil Operating Cost	$ 776	$ 848	Increased $72 (9.3%)
Per Pupil Tuition & Fees	$ 677	$ 693	Increased $16 (2.4%)

Diocesan Schools

Diocesan Schools (7)	1975-76	1976-77	Remarks
Tuition and Fees	$140,100	$153,600	Increased 9.6%
Subsidies	54,900	47,500	Decreased $ 7,400
Fund Raising	14,600	18,500	Increased $ 3,900
Auxiliary Services (Net)	800	1,300	-
Other Income	6,700	6,200	-
Operating Revenue	$217,100	$227,100	Increased 4.6%
Operating Expenses	$214,000	$230,200	Increased 7.6%
Operating Gain (Loss)	$ 3,100	$ (3,100)	Decreased $ 6,200
Enrollment	259	255	Slight Decline
Professional Staff	19.1	18.3	-
Ratio: Pupils/Staff	13.6/1	13.9/1	-
Per Pupil Operating Cost	$ 826	$ 902	Increased $76 (9.2%)
Per Pupil Tuition & Fees	$ 541	$ 602	Increased $61 (11.3%)

Parish Schools

Parish Schools (7)	1975-76	1976-77	Remarks
Tuition and Fees	$104,300	$107,100	Increased 2.7%
Subsidies	31,700	29,000	Decreased $ 2,700
Fund Raising	3,100	3,300	-
Auxiliary Services (Net)	1,700	1,400	-
Other Income	12,300	17,500	-
Operating Revenue	$153,100	$158,300	Increased 3.4%
Operating Expenses	$146,200	$161,400	Increased 10.4%
Operating Gain (Loss)	$ 6,900	$ (3,100)	Decreased $10,000
Enrollment	220	218	Same
Professional Staff	15.8	15.8	-
Ratio: Pupils/Staff	13.9/1	13.8/1	-
Per Pupil Operating Cost	$ 665	$ 740	Increased $75 (11.3%)
Per Pupil Tuition & Fees	$ 474	$ 491	Increased $17 (3.6%)

Financial Averages and Models
School Enrollment...300 - 500
Without Contributed Services

	Private Schools		
Private Schools (15)	1975-76	1976-77	Remarks
Tuition and Fees	$284,500	$305,100	Increased 7.2%
Subsidies	25,100	25,900	-
Fund Raising	24,300	24,100	-
Auxiliary Services (Net)	5,300	6,000	-
Other Income	18,800	19,600	-
Operating Revenue	$358,000	$380,700	Increased 6.3%
Operating Expenses	$352,200	$369,200	Increased 4.8%
Operating Gain	$ 5,800	$ 11,500	Increased $ 5,700
Enrollment	417	420	Slight Increase
Professional Staff	28	28	-
Ratio: Pupils/Staff	14.9/1	15/1	-
Per Pupil Operating Cost	$ 845	$ 879	Increased $34 (4.0%)
Per Pupil Tuition & Fees	$ 682	$ 726	Increased $44 (6.5%)

	Diocesan Schools		
Diocesan Schools (20)	1975-76	1976-77	Remarks
Tuition and Fees	$218,000	$230,900	Increased 5.9%
Subsidies	67,400	67,800	-
Fund Raising	21,300	26,700	Increased $ 5,400
Auxiliary Services (Net)	5,700	5,700	-
Other Income	11,100	12,600	-
Operating Revenue	$323,500	$343,700	Increased 6.2%
Operating Expenses	$321,700	$347,400	Increased 8.0%
Operating Gain (Loss)	$ 1,800	$ (3,700)	Decreased $ 5,500
Enrollment	430	424	Slight Decline
Professional Staff	26	26	-
Ratio: Pupils/Staff	16.5/1	16.3/1	-
Per Pupil Operating Cost	$ 748	$ 819	Increased $71 (9.5%)
Per Pupil Tuition & Fees	$ 507	$ 545	Increased $38 (7.5%)

	Parish Schools		
Parish Schools (15)	1975-76	1976-77	Remarks
Tuition and Fees	$171,900	$194,500	Increased 13.1%
Subsidies	110,600	117,000	Increased $ 6,400
Fund Raising	19,000	22,100	Increased $ 3,100
Auxiliary Services (Net)	1,500	2,700	-
Other Income	11,700	8,400	-
Operating Revenue	$314,700	$344,700	Increased 9.5%
Operating Expenses	$309,300	$329,400	Increased 6.5%
Operating Gain	$ 5,400	$ 15,300	Increased $ 9,900
Enrollment	414	423	Increased 9 Pupils
Professional Staff	25	26	-
Ratio: Pupils/Staff	16.6/1	16.3/1	-
Per Pupil Operating Cost	$ 747	$ 779	Increased $32 (4.3%)
Per Pupil Tuition & Fees	$ 415	$ 460	Increased $45 (10.8%)

APPENDIX B

Financial Averages and Models
School Enrollment.....500-750
Without Contributed Services

Private Schools (25)	Private Schools 1975-76	1976-77	Remarks
Tuition and Fees	$454,900	$496,000	Increased 9.0%
Subsidies	10,100	10,700	-
Fund Raising	55,000	69,200	Increased $14,200
Auxiliary Services (Net)	7,100	7,900	-
Other Income	28,300	34,300	-
Operating Revenue	$555,400	$618,100	Increased 11.3%
Operating Expenses	$539,000	$578,600	Increased 7.4%
Operating Gain	$ 16,400	$ 39,500	Increased $23,100
Enrollment	640	650	Increased 10 Pupils
Professional Staff	40.2	41	-
Ratio: Pupils/Staff	15.9/1	15.9/1	-
Per Pupil Operating Cost	$ 842	$ 890	Increased $48 (5.7%)
Per Pupil Tuition & Fees	$ 711	$ 763	Increased $52 (7.3%)

Diocesan Schools (13)	Diocesan Schools 1975-76	1976-77	Remarks
Tuition and Fees	$352,900	$374,200	Increased 6.0%
Subsidies	91,900	95,400	-
Fund Raising	33,000	32,000	-
Auxiliary Services (Net)	1,500	3,300	-
Other Income	23,600	31,300	-
Operating Revenue	$502,900	$536,200	Increased 6.6%
Operating Expenses	$498,400	$526,500	Increased 5.6%
Operating Gain	$ 4,500	$ 9,700	Increased $ 5,200
Enrollment	639	636	Slight Decline
Professional Staff	36.2	36.6	-
Ratio: Pupils/Staff	17.7/1	17.4/1	-
Per Pupil Operating Cost	$ 780	$ 828	Increased $48 (6.2%)
Per Pupil Tuition & Fees	$ 552	$ 588	Increased $36 (6.5%)

Parish Schools (17)	Parish Schools 1975-76	1976-77	Remarks
Tuition and Fees	$292,200	$326,200	Increased 11.6%
Subsidies	101,100	99,500	-
Fund Raising	28,000	38,200	Increased $10,200
Auxiliary Services (Net)	8,600	8,700	-
Other Income	17,100	17,000	-
Operating Revenue	$447,000	$489,600	Increased 9.5%
Operating Expenses	$432,100	$465,700	Increased 7.8%
Operating Gain	$ 14,900	$ 23,900	Increased $ 9,000
Enrollment	635	632	Slight Decline
Professional Staff	35.8	35.6	-
Ratio: Pupils/Staff	17.7/1	17.7/1	-
Per Pupil Operating Cost	$ 680	$ 737	Increased $57 (8.4%)
Per Pupil Tuition & Fees	$ 460	$ 516	Increased $56 (12.2%)

Financial Averages and Models
School Enrollment...750-1,000
Without Contributed Services

Private Schools (17)	Private Schools 1975-76	1976-77	Remarks
Tuition and Fees	$683,700	$737,800	Increased 7.9%
Subsidies	300	600	-
Fund Raising	64,400	64,000	-
Auxiliary Services (Net)	13,800	13,300	-
Other Income	41,800	41,200	-
Operating Revenue	$804,000	$856,900	Increased 6.6%
Operating Expenses	$736,900	$783,900	Increased 6.4%
Operating Gain	$ 67,100	$ 73,000	Increased $ 5,900
Enrollment	869	880	Increased 11 Pupils
Professional Staff	52	52	-
Ratio: Pupils/Staff	16.7/1	16.9/1	-
Per Pupil Operating Cost	$ 848	$ 891	Increased $43 (5.1%)
Per Pupil Tuition & Fees	$ 787	$ 838	Increased $51 (6.5%)

Diocesan Schools (11)	Diocesan Schools 1975-76	1976-77	Remarks
Tuition and Fees	$496,000	$534,000	Increased 7.7%
Subsidies	91,400	97,000	Increased $ 5,600
Fund Raising	33,800	39,000	Increased $ 5,200
Auxiliary Services (Net)	5,400	1,900	-
Other Income	24,500	31,100	-
Operating Revenue	$651,100	$703,000	Increased 8.0%
Operating Expenses	$648,800	$701,800	Increased 8.2%
Operating Gain	$ 2,300	$ 1,200	Decreased $ 1,100
Enrollment	874	860	Declined 14 Pupils
Professional Staff	47	48	-
Ratio: Pupils/Staff	18.6/1	17.9/1	-
Per Pupil Operating Cost	$ 742	$ 816	Increased $74 (10.0%)
Per Pupil Tuition & Fees	$ 568	$ 621	Increased $53 (9.3%)

Parish Schools (7)	Parish Schools 1975-76	1976-77	Remarks
Tuition and Fees	$426,400	$480,000	Increased 12.6%
Subsidies	120,400	137,100	Increased $16,700
Fund Raising	20,000	24,600	-
Auxiliary Services (Net)	9,000	7,300	-
Other Income	46,300	41,700	-
Operating Revenue	$622,100	$690,700	Increased 11.0%
Operating Expenses	$635,500	$675,600	Increased 6.3%
Operating Gain (Loss)	$(13,400)	$ 15,100	Increased $28,500
Enrollment	850	866	Increased 16 Pupils
Professional Staff	48	47	-
Ratio: Pupils/Staff	17.7/1	18.4/1	-
Per Pupil Operating Cost	$ 748	$ 780	Increased $32 (4.3%)
Per Pupil Tuition & Fees	$ 502	$ 554	Increased $52 (10.4%)

Financial Averages and Models
School Enrollment..Over 1,000
Without Contributed Services

Private Schools (13)	Private Schools 1975-76	1976-77	Remarks
Tuition and Fees	$ 973,800	$1,048,900	Increased 7.7%
Subsidies	6,500	5,800	-
Fund Raising	40,100	49,200	Increased $ 9,100
Auxiliary Services (Net)	15,100	15,600	-
Other Income	58,500	51,700	-
Operating Revenue	$1,094,000	$1,171,200	Increased 7.1%
Operating Expenses	$1,006,100	$1,103,600	Increased 9.7%
Operating Gain	$ 87,900	$ 67,600	Decreased $20,000
Enrollment	1,369	1,367	Same
Professional Staff	71	71	-
Ratio: Pupils/Staff	19.3/1	19.3/1	-
Per Pupil Operating Cost	$ 735	$ 807	Increased $72 (9.8%)
Per Pupil Tuition & Fees	$ 711	$ 767	Increased $56 (7.9%)

Diocesan Schools (17)	Diocesan Schools 1975-76	1976-77	Remarks
Tuition and Fees	$ 723,500	$ 806,100	Increased 11.4%
Subsidies	117,900	110,200	Decreased $ 7,700
Fund Raising	41,200	40,300	-
Auxiliary Services (Net)	6,800	6,300	-
Other Income	29,700	34,200	-
Operating Revenue	$ 919,100	$ 997,100	Increased 8.5%
Operating Expenses	$ 902,200	$ 962,500	Increased 6.7%
Operating Gain	$ 16,900	$ 34,600	Increased $17,700
Enrollment	1,294	1,273	Declined 21 Pupils
Professional Staff	66	66	-
Ratio: Pupils/Staff	19.6/1	19.3/1	-
Per Pupil Operating Cost	$ 697	$ 756	Increased $59 (8.5%)
Per Pupil Tuition & Fees	$ 559	$ 633	Increased $74 (13.2%)

Parish Schools (5)	Parish Schools 1975-76	1976-77	Remarks
Tuition and Fees	$ 839,000	$ 965,600	Increased 15.1%
Subsidies	291,000	338,600	Increased $47,600
Fund Raising	27,200	39,600	Increased $12,400
Auxiliary Services (Net)	17,200	15,400	-
Other Income	79,800	60,000	-
Operating Revenue	$1,254,200	$1,419,200	Increased 12%
Operating Expenses	$1,226,100	$1,369,900	Increased 11%
Operating Gain	$ 28,100	$ 49,300	Increased $21,200
Enrollment	1,760	1,741	Declined 19 Pupils
Professional Staff	91	92	-
Ratio: Pupils/Staff	19.3/1	18.9/1	Lower Ratio
Per Pupil Operating Cost	$ 697	$ 787	Increased $90 (12.9%)
Per Pupil Tuition & Fees	$ 477	$ 555	Increased $78 (16.4%)

APPENDIX C

Return To:

NATIONAL CATHOLIC EDUCATIONAL ASSOCIATION
SECONDARY SCHOOL FINANCE STUDY
ONE DUPONT CIRCLE, SUITE 350
WASHINGTON, D.C. 20036

Principal _____

School _____

Address _____

Location _____

Telephone _____ Diocese _____

Type of School? Parochial_____ Inter-Parochial_____ Diocesan_____ Private_____

Location? Urban_____ Suburban_____ Rural_____

See Reverse Side For Explanations, Descriptions.

OMIT CENTS

Sources of Revenue:	ACTUAL 1975-76	BEST FIGURES 1976-77
1. Tuition and Fees		
2. Contributed Services		
3. Subsidy (Subsidized By _____)		
4. Fund-Raising		
5. Gain on Auxiliary Services		
6. All (Any) Other Income		
7. Total Revenue		
8. Operating Expenses		
9. Contributed Services (If not included in "Operating Expenses")		
10. Loss on Auxiliary Services		
11. Total Expenses		
12. Debt Retirement (Principal & Interest)		
13. Capital Income		
14. Capital Expenditures		
15. Opening (Fall) Enrollment		
16. Professional Staff (Full-time Equivalent)		
17. Tuition & Fee Charges (First Person in Family)		

Are You Willing To Report Financial Information To Us Annually? Yes ___ No ___

Person Reporting _____ Title _____

DEFINITIONS AND EXPLANATIONS

TYPE OF SCHOOL?

URBAN — Within the city limits of a city (or twin cities) with a population of 50,000 or more (major city).

SUBURBAN — An area outside the limits of a major city, but functionally bound to a major city.

RURAL — An area of less than 50,000 population, and not functionally bound to a major city.

OTHER ITEMS

2. **CONTRIBUTED SERVICES:** The difference between the actual wages paid to religious (including personal expenses paid on their behalf) and the salaries paid lay personnel in identical employment at your school. The value of these services contributed should be reflected as income, and included among expenses (either by charging total salary evaluations to the appropriate salary accounts or by adding one total amount).

3. **SUBSIDY:** Diocese? Parish? Religious Community?

4. **FUND-RAISING:** Raffles, Festivals, Bingo's, Dances, Donations, Mom/Dad's Club, etc.

5. **AUXILIARY SERVICES:** Incomes and expenses from auxiliary services should be netted, a net gain providing an additional source of revenue, while a net loss is an additional expense. Otherwise, gross revenue would be misleading, and total expenses would distort educational expenses, per pupil costs, etc. The usual auxiliary services are cafeteria, bookstore, bussing, dormitories, summer camps.

8. **TOTAL OPERATING EXPENSES:** Total expenses, aside from adjustments for Contributed Services or Auxiliary Service loss. Do not include debt retirement.

12. **DEBT RETIREMENT:** The annual amount needed, principal and interest.

13. **CAPITAL INCOME:** Funds not available for operations, but designated for special purpose of capital improvement, construction, etc.

14. **CAPITAL EXPENDITURES:** Large capital expenditures (buildings, busses, etc.) which are charged to asset accounts. Generally smaller "Capital" purchases should be expensed to operations.

15. **OPENING (FALL) ENROLLMENT:** To be used for per pupil costs.

16. **PROFESSIONAL STAFF:** Classroom teachers, principals, librarian, guidance, business manager, etc. This will be used for staff/student ratios. Report full-time equivalents. Do not include supporting staff, e.g. office and maintenance personnel, cafeteria, bookstore, etc.

17. **TUITION AND FEE CHARGES:** The amount charged for tuition and usual fees at your school, before any discounts or allowances.

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National Catholic Educational Association
One Dupont Circle, Suite 350
Washington, D.C. 20036

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Secondary Schools and Higher Education

Rev. Frank H. Bredeweg, C.S.B.
C/O National Catholic Educational Association
One Dupont Circle, Suite 350
Washington, D.C. 20036

Elementary Schools, Parishes

Richard J. Burke
Diocesan School Office
125 Market Street
Hartford, Ct. 06103

Normal costs involved are a daily consulting fee, travel costs, and a per diem living allowance.